



Quality is Our Bottom Line

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Insurance Committee Public Hearing

Thursday, February 7, 2019

Connecticut Association of Health Plans

Testimony in Opposition to

SB 15 AN ACT REQUIRING HEALTH INSURANCE COVERAGE FOR MOTORIZED WHEELCHAIRS AND REPAIRS THERETO.

HB 5211 AN ACT REQUIRING HEALTH INSURANCE COVERAGE FOR SMITH-MAGENIS SYNDROME.

HB 5213 AN ACT EXPANDING REQUIRED HEALTH INSURANCE COVERAGE FOR HEARING AIDS. *Current law requires coverage for hearing aids for children twelve years of age or younger and that such hearing aids shall be considered durable medical equipment under the policy and the policy may limit the hearing aid benefit to one thousand dollars within a twenty-four-month period.*

Also of note, CID Bulletin HC-102 specifies that Section 1557 of the ACA broadly prohibits discrimination in benefit design based on age. The U.S. Department of Health and Human Services ("HHS") has provided guidance on what is considered a discriminatory benefit design, and uses hearing aids for children as an example of a potentially discriminatory benefit design.

In proposed regulations issued November 21, 2014, 1 HHS writes: "We caution both issuers and States that age limits are discriminatory when applied to services that have been found clinically effective at all ages. For example, it would be arbitrary to limit a hearing aid to enrollees who are 6 years of age and younger since there may be some older enrollees for whom a hearing aid is medically necessary.... Based on this guidance, the Insurance Department has reviewed the age limit of 12 and under and has determined hearing aids may be clinically effective for all ages, and is therefore requiring carriers to remove the age limits on hearing aid benefits for policies issued or renewed on or after January 1, 2016. The Essential Health Benefits package continues to include a limit of one hearing aid per twenty-four months rather than the \$1 000 limit under Conn. Gen. Stat. § 3 8a-490b and § 38a-516b."

HB 5724 AN ACT EXPANDING REQUIRED HEALTH INSURANCE COVERAGE FOR CRANIOFACIAL DISORDERS. *Current law requires coverage for medically necessary orthodontic processes and appliances for the treatment of craniofacial disorders for individuals eighteen years of age or younger if such processes and appliances are prescribed by a craniofacial team recognized by the American Cleft Palate-Craniofacial Association, except that no coverage shall be required for cosmetic surgery.*

The Connecticut Association of Health Plans respectfully urges your opposition to the above listed mandates. While well intended, the proposals go above and beyond what is currently provided for under the Affordable Care Act and current state statute and would therefore have a negative fiscal impact for both current insureds and the state at-large. Please note testimony provided by the Insurance Department last year on a similarly proposed mandate:

While well-intended, [this bill] if enacted, would create a new mandate and subsequently new costs for state of Connecticut under the federal Affordable Care Act (ACA) for health plans sold on the Exchange (Access Health CT). Under the ACA, Essential Health Benefits are those mandated benefits that states enacted on or before December 31, 2011. The state is required to defray the cost of any new mandated benefit or expanded benefit added after this date. Section 1311(d)(3)(B) of the ACA permits a state to require Qualified Health Plans, which are sold through the Exchange, to offer benefits in addition to the Essential Health Benefits already selected by Connecticut, but it requires the state to defray the cost of these additional benefits for Exchange plans and the State Employee Health Plan. The Department of Health and Human Services (HHS) issued a final rule on February 25, 2013 that recognizes only those mandated benefits that were enacted on or before December 31, 2011 to be considered part of the Essential Health Benefits. The state would be required to make payment to the enrollee or insurance carrier to defray the cost of any new benefits specific to care, treatment and services which are enacted this session. While the Connecticut Insurance Department appreciates the intent of this bill, it cautions the Insurance and Real Estate Committee that any new state mandated benefits enacted in 2018 can have a fiscal impact to the State of Connecticut.

It's also important to note that Connecticut only has authority to regulate the fully insured market which represents roughly 35% of the state's population. The fully insured market is made up predominantly of individual and small group policy holders who are the most price sensitive to premium increases. As such, they can ill afford the costs associated with any new mandates and while we understand that the intentions are laudable, we would urge your rejection of SB 15, HB 5211, HB 5213 and HB 5724.